C. Proposed Land Use Plan

LANDUSE	AREA	DENSITY	UNITS
	(AC)	(DU/AC)	(DU)
Mixed Use	2,704	20	54,080
Commercial	1,714		
High Density Residential	5,424	25	135,600
Medium Density Residential	10,940	12	131,280
Low Density Residential	5,612	5	28,060
Low Density Residential/Golf	2,143	5	10,715
Open Space	1,020		
Commercial Recreation	179		
Park	639		
Ephemeral Lake	73		
Medium Residential University Housing	994	12	11,928
College/University	1,045		
Technology Park/R&D	640		
TOTAL	33,127*	11.2	371,663

^{*}Acreage may change based on refinement of development plans.

D. Phasing (IMA to input)

Red Lake will be developed in _____ phases, with the first phase expected to begin construction in _____. Market factors will determine the timing of the second and third phases of the community. The initial phase will encompass the three most westerly sections of the project, which can be most easily served by access from the existing Mohave Airport Drive connecting the community with Highway 66 and a new arterial extending south from Red Lake to the DW Ranch interchange at Interstate 40. Other access improvements will allow development to proceed to the four middle sections of the development, and then to the western-most sections of Red Lake. Phasing will depend on market conditions and the success of Red Lake in attracting both active adults/retirees and working families, as well as the ability of Rhodes Homes to attract retailers to the office/business park adjacent to the Kingman Airport.

E. Economic Development

Rhodes Homes believes Mohave County and Kingman are uniquely positioned to take advantage of economic and demographic trends that favor the region in terms of job creation and population growth. Rhodes Homes also believes it can be partners with Mohave County in helping the region fulfill its economic potential, improving the standard of living and quality of life for current and future residents.

The U.S. Census Bureau projects that the U.S. population will grow by 42 million people over the next two decades, and the Southwest is expected to remain the fastest-growing region of the country. Mohave County is in the path of this growth, because of its climate, logistics and proximity to major metropolitan areas such as Southern California, Phoenix and Las Vegas. Furthermore, Arizona is the second fastest-growing state in the nation behind Florida in net migration of retirees, whose numbers will grow as "baby boomers" retire and move from metropolitan areas to more livable locales.

Mohave County has a number of attributes that make it a strong candidate for economic growth. It has excellent transportation logistics, with access to rail, highway and air transportation, and is located along the CANAMEX Corridor, which is intended to spur international trade among Mexico, Canada and the U.S. The county has a low cost of doing business, making it attractive to manufacturing and distribution companies seeking an alternative to higher costs and regulatory constraints in California and elsewhere.

Mohave County's mild climate and natural beauty already have established it as a magnet for retirees, but this trend will accelerate as "baby boomers" seek affordable homes in desirable locations to spend their retirements. This migration of new retirees will trigger the need for businesses and services to meet their needs, including medical and professional offices.

(IMA to input) Rhodes Homes sees Red Lake playing an integral role in expanding the Mohave County economy, not only providing housing for working families and retirees but helping to create jobs by establishing commercial/office sites adjacent to the Kingman Airport and the Kingman Airport Industrial Park. Those commercially dedicated acres will complement current local efforts to draw new companies to the industrial park, which has been the site of primarily manufacturing and distribution companies. Rhodes Homes believes its office park acreage on the western side of the airport can logically be used for corporate headquarters, back office functions and service-oriented businesses. In addition, Red Lake will generate a significant amount of retail and service business activity within the community itself, creating new opportunities for small businesses, with their resulting employment generation.

Rhodes Homes intends to take an active role in promoting Mohave County as a good place to do business, working with local economic development officials in marketing outreach. In addition, Rhodes Homes will help local education officials address the issue identified by state and other economic studies as the largest impediment to economic growth and diversification in Mohave County – an undereducated workforce. Rhodes

Date: 3-2-06

Homes will investigate working with Mohave County Community College to develop vocational educational programs that improve skill levels of the local workforce. It also will promote the idea within the state that Mohave County should be the site of a four-year college as the county's population base justifies it.

Economic Development Goals and Policies

 Goal: Develop a community that is both self-supporting in providing services to its residents.

Policy: Designate sufficient land and provide infrastructure to support commercial development within Red Lake, facilitating development of retail, personal services and recreation businesses in the community.

Goal: Develop a community that adds to the economic base of Mohave County, encouraging new businesses that provide higherpaying jobs.

Policy: Establish an office park site on the western edge of Red Lake that links the development to the Kingman Airport Industrial Park.

3. Goal: Establish the reputation of Mohave County and Kingman as a good place to do business.

Policy: Engage in promotional activities highlighting the attributes of Mohave County, in terms of transportation logistics, cost of doing business and lifestyle.

4. Goal: Improve educational level of workforce in Mohave County.

Date: 3-2-06

Policy: Work with Mohave County Community College to expand vocational training for targeted industries; promote ultimate goal of four-year College in Mohave County.

IV. NATURAL RESOURCES



A. Water Resources

Rhodes Homes recognizes that water is a precious resource in Mohave County. It is exercising due diligence in proving out adequate groundwater resources for Red Lake, based on well drilling and hydro-geological studies of the Hualapai Valley Basin that will provide both Mohave County and the State of Arizona with a better understanding of water resources in the basin. Ultimately, the Arizona Department of Water Resources (ADWR) will determine, based on these hydro-geological studies and other information, whether the Hualapai Valley Basin aquifer is adequate to support Red Lake as well as current committed demand for water in the region, including pre-platted lots that draw from the same groundwater resources. Rhodes Homes understands that a statement of water adequacy from ADWR is a critical precursor for its development plans at Red Lake. As a matter of general policy, Rhodes Homes is committed to exploring and implementing where feasible technologies and conservation techniques that minimize the impact of the development on groundwater resources, including recharge, xeriscaping and use of "grey water." A detailed water budget will be prepared for Rhodes Homes subdivisions as part of its plan submissions. For purposes of its water use projections,